

State of Louisiana



KATHLEEN BABINEAUX BLANCO
GOVERNOR

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

March 9, 2004

Mr. B. F. Anderson
Bob F. Anderson & Associates
400 Travis St., Suite 209
Shreveport, LA 71101-3110

IN RE: St. Mary Land and Exploration Company
Upper Pettit Zone
Driscoll Field
Bienville Parish, LA

Dear Mr. Anderson:

In response to your March 5, 2004 letter concerning the referenced matter and for reasons set forth therein, please be advised that a waiver of Rule 7b concerning requirements to furnish a list of the names and addresses of all Interested Parties who are known after reasonable search and to mail a copy of Legal Notice issued to such Interested Parties is hereby granted. Other than such waiver, the Rules of Procedure shall be fully complied with.

Please contact Mr. John Aldridge at 225-342-5507 should any further questions exist concerning this matter.

Yours very truly,

A handwritten signature in cursive script, reading "James H. Welsh".

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

JHW:JRA:dnp

cc: Jim Broussard

BOB F. ANDERSON, PE, INC.
PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpe@aol.com

March 5, 2004

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

Re: Request for Exception to Rule 7b
Revised Rules of Procedure for
Conducting Public Hearings before
The Commissioner of Conservation
Upper Pettit Zone
Driscoll Field
Bienville Parish, Louisiana

Dear Sir:

St. Mary Land and Exploration Company (St. Mary) hereby requests an exception to the notification of parties as required by Rule 7b of the Revised Rules of Procedure for Conducting Public Hearings Before the Commissioner of Conservation to permit St. Mary to file an application for a public hearing to change the methodology of gas allowable assignment for wells completed in the Upper Pettit Zone, Driscoll Field, Bienville Parish, Louisiana. St. Mary will request permission to establish the gas allowable for wells completed in the Upper Pettit Zone in the Driscoll Field to be based on Maximum Efficient Rate (MER) of production. The Upper Pettit Zone in the Driscoll Field was defined in Office of Conservation Order No. 194-D, effective July 22, 1969.

St. Mary also plans to apply for a public hearing before the Commissioner of Conservation to request permission to drill, designate and utilize alternate and/or substitute horizontal wells on certain units for the production of gas and condensate on certain units established for the Upper Pettit Zone, in the Driscoll Field, Bienville Parish, Louisiana. St. Mary will not request an exception to Rule 7b for the additional alternate and/or substitute unit wells.

An MER allowable will greatly enhance the economics of additional wells and will aid in the efficient and effective drainage of the Pettit Zone in each unit.

According to the latest Shreveport District Gas Allowable Schedule, there are 10 Upper Pettit Units that are producing. The assigned allowable ranges from 5 MCFD to 325 MCFD.

Hon. James H. Welsh

Driscoll Field

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Twenty-eight (28) 640 +/- acres Upper Pettit Units have been established in the Driscoll Field. Several units are densely populated and the Interested Owners, Represented Parties and Interested Parties that will have to be notified, pursuant to the Rules of Procedure for Conducting Public Hearing before the Commissioner of Conservation, will contain, according to our estimate, approximately 3,000 parties. Several of the units have not been drilled and to obtain the list of parties an extensive record search will be necessary and would be very expensive and time consuming to compile and to notify.

We do not anticipate any opposition from any party to our request.

If you need any additional data or information, please let me know.

Yours truly,

A handwritten signature in dark ink, appearing to read "B. F. Anderson", followed by a horizontal line.

B. F. Anderson, PE for
ST. MARY LAND and EXPLORATION COMPANY

cc: Mr. Steve Causey

CK. AH

BOB F. ANDERSON, PE, INC.
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April 1, 2004

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: **APPLICATION FOR PUBLIC HEARING**
Upper Pettit Zone
Driscoll Field
Bienville Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **ST. MARY LAND AND EXPLORATION COMPANY**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Upper Pettit Zone, Driscoll Field, Bienville Parish, Louisiana:

1. To establish the unit allowable for each unit created for the Upper Pettit Zone, created by the 194-D Series of Office of Conservation Orders, at a rate equal to the combined rates of the unit well, the alternate unit wells or wells (whether one or more) located on each unit.
2. To continue in full force and effect the units created for the Upper Pettit Zone created by the 194-D Series of Office of Conservation Orders and pertinent provisions thereof, except to extent contrary herewith.
3. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Upper Pettit Zone in the Driscoll Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 194-D, effective July 22, 1969.

Hon. James H. Welsh
Driscoll Field
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The pertinent data pertaining to this application is available for inspection at the Offices of B. F. Anderson, 400 Travis Street, Suite 209, Shreveport, Louisiana 71101-3110. Any person wishing to inspect such data should call B. F. Anderson at 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent, that is otherwise not available from the Office of Conservation, can be obtained **at the expense of the requesting party.**

The subject matter of this application does not require a pre-hearing conference.

The applicant requested and received a waiver of Rule 7b, Revised Rules of Procedure for Conducting Public Hearings before the Commissioner of Conservation, concerning requirements to furnish a list of the names and address of all Interested Owners, Represented Parties and Interested Parties. The parties on the attached list will be notified of the application. Upon receipt of the legal notice, the list of parties on the attached list will be furnished a copy and the legal notice will be posted in the Clerk of Courts Office in Bienville Parish, Louisiana, and will be advertised in a newspaper of general circulation in the area of the Driscoll Field. Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all parties shown on the attached list. A copy of this letter is being sent to the District Manager of the Shreveport District Office of Conservation.

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours very truly,



B. F. Anderson, PE for
ST. MARY LAND & EXPLORATION COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation
Mr. Steve Causey, St. Mary Land & Exploration Company